Early and Periodic Screening Diagnosis and Treatment (EPSDT) Mental Health Basics

EPSDT services were expanded in 1995 by the Department of Health Services (DHS) in accordance with federal statutes which require states to provide to full scope Medi-Cal beneficiaries under age 21 all medically necessary Medicaid health and mental health treatment services needed to correct or ameliorate a beneficiary's mental or physical health or condition. Part of the impetus for the change was a lawsuit, T.L. vs. Belshe that put forth the position that California had not fully complied with these federal statutes.

To provide the funding necessary to meet this mandate, DHS estimated the state general funds (SGF) dollars and Federal Financial Participation (FFP) needed to provide medically necessary health and mental health services.

DHS concluded that to meet the needs of beneficiaries with severe emotional disabilities county mental health departments, having been the historic providers of mental health services to seriously emotionally disturbed (SED) children and youth, were the logical choice for providing expanded EPSDT services to the SED population.

Upon implementation of the specialty mental health managed care program in CY 1997 and 1998, Mental Health Plans (MHPs) also became responsible for all EPSDT services for all full scope Medi-Cal beneficiaries under age 21 who met the medical necessity criteria for specialty mental health services for MHP reimbursement of specialty mental health services for eligible beneficiary under 21 years of age (Title 9 CCR, Chapter 11) section 1830.210). Each county implemented plans for meeting the additional demand for services and providing access to care.

In July 1999, following the preliminary injunction in the Emily Q vs. Bonta lawsuit, MHPs also became responsible for providing or arranging for the provision of Therapeutic Behavioral Services an intensive one to one service for children/youth with serious emotional problems who are experiencing a stressful transition or life crisis and need additional short-term support to prevent placement in a group

home of Rate Classification Level (RCL) 12 through 14 or a locked facility for the treatment of mental health needs, including acute care; or to enable a transition from any of those levels to a lower level of residential care.

Services provided by MHPs are the specialty mental health services benefit array available as medically necessary under the Rehabilitation Option and include:

- Adult Residential Treatment
- Crisis Intervention
- Crisis Residential Treatment Services
- Crisis Stabilization
- Day Treatment Intensive
- Day Treatment Rehabilitation
- Medication Support Services
- Mental Health Services:
    - Assessment
    - Plan development
    - Therapy
    - Rehabilitation
    - Collateral
- Psychiatric Inpatient Hospital Services
- Psychiatric Health Facilities
- Targeted Case Management
- Therapeutic Behavioral Services

Services to beneficiaries may include services directed toward the substance abuse issues of the beneficiary with dual diagnoses of mental illness and substance abuse if such services are necessary to the attainment of the mental health treatment goals.

The MHPs and the state share responsibility for matching FFP. In FY 03/04 it is estimated that SGF will comprise 83% of the match while local funds comprise 17%.

MHPs submit claims for services through the Short Doyle/Medi-Cal claims processing system for reimbursement of the FFP portion of the

service. The final payment is determined through the cost settlement process.

The SGF for expanded EPSDT services is not intended to replace financial resources available from other sources i.e. grants or through shared resources at the local level.

The current arrangement regarding SGF for expanded EPSDT mental health services was made with the understanding that once the financial risk for these services could be reasonably assessed, a fixed funding amount would be transferred to the counties.